

REMARKS

This amendment is responsive to the Office Action mailed August 6, 2010. In the Office Action, Claims 1-17 and 18-27 were rejected under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter. Additionally, Claims 1-29 were rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Serkin et al. (U.S. Pre-Grant Publication No. 2002/0161687) in view of Finebaum et al. (U.S. Pre-Grant Publication No. 2002/0156719).¹

For at least the reasons discussed below, applicant submits that amended Claims 1-17 and 18-27 meet the requirements of Section 101 and that Serkin and Finebaum fail to teach or suggest all of the elements of Claims 1-29. Furthermore, because the combination of references does not support a *prima facie* rejection of the claims under 35 U.S.C. § 103(a), withdrawal of the rejection of Claims 1-29 is merited.²

Status of Claims

Applicant has amended Claims 13 and 18, as discussed below, to further clarify certain features of these claims without conceding to the merits of the rejections of these claims. The amended claims are fully supported by the written description as originally filed in this application. No claims have been canceled. Claims 1-29 remain pending in the application.

¹ The Office Action (page 3) identified Finebaum by reference to "U.S. Publication 2001/0044767." However, U.S. Publication 2001/0044767 is a published application filed by Madoff et al. Applicant believes that the Examiner intended to refer to U.S. Publication 2002/0156719 (Finebaum et al.), which is identified in the Notice of References Cited, PTO-892, that accompanied the Office Action. Applicant is responding accordingly.

² It is unclear whether the present Office Action is final or non-final, as boxes 2a and 2b were both checked in the Office Action Summary. However, the Detailed Action portion of the Office Action makes no mention of the Action being final and the online record at USPTO - PAIR indicates that the Office docketed the Action as non-final. Further, this Office Action is the first Office Action mailed by the Office after applicant's appeal, filed March 16, 2010, following which the Office reopened prosecution. To the extent the Examiner considers the Action as being final, applicant submits that the finality is premature and requests that the finality be withdrawn.

Claim Rejections Under 35 U.S.C. § 101

The Office Action contended that Claim 13 "does not appear to claim the computer accessible medium but the executable instructions," and therefore contended that Claim 13 is directed to non-statutory subject matter. Applicant respectfully disagrees. Nevertheless, applicant has amended Claim 13 in a manner believed to address the concerns raised in the Office Action. The Examiner suggested that the preamble of Claim 13 be amended to replace "if when executed by a computer" with "that when executed by a computer." In response thereto, applicant has amended Claim 13 to recite "in response to execution by the computer."

The Office Action rejected Claim 18 for reasons similar to those stated for Claim 13. Applicant again disagrees with the claim rejection, but to advance the prosecution of the application, applicant has amended Claim 18 to replace the phrase "if executed by a computer" with "in response to execution by a computer." Applicant has also replaced the phrase "if the new price is better than the best market price" with "in response to receiving an order having a new price that is better than the best market price."

Further, applicant has amended the preamble of Claims 13 and 18 to replace the term "tangible" with the term "non-transitory." This is done in accordance with the general suggestion of the U.S. Patent and Trademark Office to have computer readable media claims recite "non-transitory" media (see "Subject Matter Eligibility of Computer Readable Media," David J. Kappos, January 26, 2010). The amendments to Claims 13 and 18 do not narrow the scope of the claims, and the amendments have support in the application as filed.

Applicant submits that Claims 13 and 18 are directed to statutory subject matter under 35 U.S.C. § 101. Claims 14-17 and 19-27, which depend from Claims 13 and 18, respectively, are likewise directed to statutory subject matter. For at least these reasons, applicant respectfully requests withdrawal of the claim rejections under Section 101.

Claim Rejections Under 35 U.S.C. § 103(a)

The Office Action rejected Claims 1-29 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Serkin in view of Finebaum. For at least the reasons discussed below, applicant submits that Serkin and Finebaum do not disclose or suggest all of the elements of Claims 1-29 and therefore the cited art does not support a *prima facie* rejection based on obviousness. The Section 103(a) rejections of Claims 1-29 should be withdrawn.

Claims 1-3 and 21-25

Claim 1 is directed to a computer-implemented method of facilitating trading at a market.

Claim 1 recites, in part:

receiving input from a market participant at a market participant's computer, wherein the market participant is a trading party participating in the market with other market participants, wherein the input provides a price for a side of a trade at the market, and wherein the input satisfies a market-related condition, and

automatically, at the market participant's computer, receiving from the market a new contra-side best market price for the trade in advance of the other market participants as a result of satisfying the market-related condition and only while the market-related condition is satisfied by the input received at the market participant's computer.

The Office Action (page 3) conceded, and applicant agrees, that Serkin fails to teach "*at the market participant's computer, receiving from the market a new contra-side best market price for the trade in advance of the other market participants as a result of satisfying the market-related condition and only while the market-related condition is satisfied by the input received at market participant's computer.*" The Office Action instead relied on Finebaum as allegedly disclosing these elements of Claim 1. Applicant respectfully disagrees.

According to the Abstract, Finebaum discloses:

An Internet based real-time interactive electronic trading system for broadcasting quotes, usually bid and ask prices, for high-yield corporate bonds to buyers and sellers in a fully encrypted manner. Further, it processes orders and executes trades between clients. In addition to fully automating the entire high yield bond trading process, the system maintains a full audit trail of every event in the trading process. The

system permits direct but anonymous trading which permits both buyers and sellers to see the price at which they will trade and avoids the need, and cost, for an intermediary. It allows the sale of municipal Bonds in an anonymous and transparent market and allows the purchaser of Municipal Bonds to contemporaneously insure their Bond purchase from default electronically through a municipal bond insurance provider, such as MBIA Insurance Corporation, when making the purchase. The system permits direct but anonymous trading of Convertible debt and Emerging Market Debt as well as providing transparency and liquidity not previously attainable in those markets.

At paragraph [0015], Finebaum states:

One exemplary embodiment of the present invention includes inter alia a real-time, Internet-based, electronic bond trading system that displays all active orders in any bond (i.e., the bond's book).

At paragraph [0259], Finebaum explains:

The book will broadcast to all users active orders for a given instrument, in the order received by the host by Price/Time priority. Orders are displayed in the Book in price/time priority. If a user wants to react to an order that appears in the Book, he places the cursor over the order. The color will brighten to confirm that the cursor is properly placed. Then, upon clicking the left mouse button the system will display the order form for the contra side of the highlighted order.

In other words, according to Finebaum, an active order is broadcast to all users at the same time. Orders may be "displayed in the Book in price/time priority" (see above), but that is immaterial to the claims of the present application.

In contrast to systems that broadcast a new price to all of the market participants at the same time, a market participant according to Claim 1 of the present application "receiv[es] from the market a new contra-side best market price for the trade *in advance of the other market participants* as a result of satisfying the market-related condition and only while the market-related condition is satisfied by the input received at market participant's computer." (Emphasis added.)

In *KSR International Co. v. Teleflex Inc.*, 550 U.S. 398, 82 U.S.P.Q.2d 1385, 1395-97 (2007), the Supreme Court indicated that the key to supporting any rejection under 35 U.S.C.

§ 103 is a clear articulation of the reason(s) why the claimed invention would have been obvious. See also M.P.E.P. § 2143. The Office Action did not identify which aspect of Finebaum's disclosure constitutes the "market-related condition" claimed in Claim 1 that the input must satisfy for the market participant's computer to receive "a new contra-side best market price for the trade in advance of the other market participants." Applicant respectfully submits there are, in fact, **no** market-related conditions disclosed by Finebaum that, when satisfied, result in a market participant's computer receiving a new contra-side best market price in advance of other market participants.

Citing the Abstract and paragraphs [0259] and [0179] of Finebaum, the Office Action (page 3) alleged:

However, Finebaum discloses the book will broadcast to all users active orders for a given instrument, in the order received by the host by Price/Time priority. Orders are displayed in the Book in price/time priority. If a user wants to react to an order that appears in the Book, he places the cursor over the order. The color will brighten to confirm that the cursor is properly placed. Then, upon clicking the left mouse button the system will display the order form for the contra side of the highlighted order.

Applicant respectfully submits that the foregoing allegation has no bearing on the patentability of Claim 1. The above allegation does not indicate a teaching or suggestion of the elements of Claim 1 in which "a new contra-side best market price for the trade" is received at a market participant's computer "in advance of the other market participants as a result of satisfying the market-related condition and only while the market-related condition is satisfied by the input received at the market participant's computer." According to Finebaum, orders received by the host may be "broadcast to all users . . . in the order received by the host by Price/Time priority," but the orders are nonetheless still broadcast to all users.

Paragraph [0179] of Finebaum also fails to teach or suggest "*at the market participant's computer, receiving from the market a new contra-side best market price for the trade in advance of the other market participants as a result of satisfying the market-related condition*

and only while the market-related condition is satisfied by the input received at market participant's computer." Paragraph [0179] of Finebaum reads as follows:

The client application includes a graphical user interface (GUI) that enables a user to quickly and easily view the market in a bond and to enter trading orders for all available bonds and bond markets. FIGS. 2A-Z depict various exemplary screens presented to the user as part of a graphical user interface according to one aspect of the present invention for use in municipal bond trading. Other embodiments of the invention for trading in other debt instruments (high yield, emerging markets, corporate, convertible, etc.) may incorporate a similar client GUI, which includes specific features related to those debt instruments. The general structure of the GUI, however, may remain the same. Alternatively, the same GUI may handle all debt instrument markets simultaneously by, for example, providing pull down tabs, one for each market. Navigating in the graphical user interface of the present invention utilizes typical Windows® conventions for both mouse and keyboard.

From reading Finebaum as a whole, it is apparent that the process disclosed by Finebaum simply displays a book of orders. According to Finebaum, "[o]rders are displayed in the Book in price/time priority" and the orders in the book are "broadcast to all users." (See Abstract and paragraph [0259].)

Because the combination of Serkin and Finebaum fails to disclose or suggest all of the elements of Claim 1, there is no combination of Serkin and Finebaum that renders Claim 1 obvious. Applicant therefore submits that a *prima facie* basis for rejection of Claim 1 has not been established. The rejection of Claim 1 should be withdrawn.

The rejection of Claims 2, 3, and 21-25 should also be withdrawn. Claims 2, 3, and 21-25 are patentable over Serkin and Finebaum, both for their dependence on Claim 1 and for the additional subject matter they recite.

For example, a market participant who has provided the "best market price for a side of the trade" (as recited in Claim 3) may receive the new contra-side best market price "in advance of the other market participants" (as recited in Claim 1). Such advance notification of the new price is received "a result of satisfying the market-related condition" and is received "only while

the market-related condition is satisfied by the input received at the market participant's computer" (as recited in Claim 1). See also Claim 8, discussed in greater detail below, in which "the trading party is given a first look at the new price before the other market participants."

Claims 4-7, 26, and 27

Claim 4 is directed to a computer-implemented method of facilitating trading at a market. The method, as claimed, includes "automatically . . . selecting a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants, wherein the selected party is a market participant participating in a market with the other market participants, and wherein the selected party has provided a price for a side of the trade at the market" and "automatically . . . notifying the selected party of the new contra-side best market price for the trade in advance of the other market participants."

The method of Claim 4 further includes "automatically . . . measuring a predetermined time from when notification of the new contra-side best market price was sent to the selected party and, after the predetermined time has elapsed, notifying the other market participants of the new contra-side best market price."

The Office Action (pages 4-5) rejected Claim 4 as allegedly being unpatentable over Serkin and Finebaum. Applicant disagrees for reasons similar to those discussed above relative to Claim 1, and therefore submits that a *prima facie* basis for rejecting Claim 4 has not been established.

The Office Action (page 4) asserted that Serkin teaches "selecting a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants." Applicant disagrees. Serkin is directed to a market system that includes an internal execution process. According to the Abstract of Serkin, "[t]he system includes an order execution process that receives orders and matches orders against quotes posted in the system on a time priority basis." While Serkin also teaches "an order match-off process that checks if a market participant identification associated with a received order matches a market participant

identification representing a quote in the system that is at the best bid or best offer price in the system," nowhere does Serkin teach or suggest *"selecting a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants,"* as claimed in Claim 4. Finebaum, for its part, does not overcome this deficiency of disclosure of Serkin.

The Office Action (page 4) conceded, and applicant agrees, that Serkin fails to teach *"notifying the selected party of the new contra-side best market price for the trade in advance of the other market participants."* The Office Action also conceded that Serkin fails to teach *"measuring a predetermined time from when notification of the new contra-side best market price was sent to the selected party and, after the predetermined time has elapsed, notifying the other market participants of the new contra-side best market price,"* and instead relied on the disclosure of Finebaum. Nevertheless, the Office Action did not provide specific facts from Finebaum that support the contention that Finebaum overcomes the deficiencies of Serkin.

The Office Action cited the Abstract of Finebaum and paragraphs [0259] and [0179], but as with Claim 1 discussed above, these portions of Finebaum do not support a *prima facie* case of obviousness of Claim 4. The newly-received orders, as with all orders in the book, are "broadcast to all users." See paragraph [0259] of Finebaum, as quoted earlier herein.

In view of the above, applicant submits that withdrawal of the rejection of Claim 4 is merited. Claims 5-7, 26, and 27 are also patentable over Serkin and Finebaum, both for their dependence on Claim 4 and for the additional subject matter they recite.

Claims 8-12

Claim 8 is directed to a system for facilitating trading at a market. The system includes "a computer having a processing component and a memory." The Office Action (pages 5-6) rejected Claim 8 as allegedly being unpatentable over Serkin and Finebaum. However, nothing in Serkin or Finebaum suggests "instructions stored in the memory that cause a processing component to *select a party to receive notification of a new contra-side best market price for a*

trade at the market in advance of other market participants," as claimed in Claim 8. Serkin and Finebaum also fail to teach or suggest "instructions stored in the memory that cause the processing component to measure a predetermined time from when notification of a new contra-side best market price is sent to the selected party and, after the predetermined time has elapsed, to notify the other market participants of the new contra-side best market price."

Serkin teaches a market system that includes an internal execution process that "receives orders and matches orders against quotes posted in the system on a time priority basis." (See, e.g., the Abstract of Serkin.) Serkin also teaches "an order match-off process that checks if a market participant identification associated with a received order matches a market participant identification representing a quote in the system that is at the best bid or best offer price in the system." Nevertheless, Serkin does not teach or suggest "select[ing] a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants."

Furthermore, the Office Action (page 5) conceded that Serkin does not teach "measur[ing] a predetermined time from when notification of a new contra-side best market price is sent to the selected party and, after the predetermined time has elapsed, to notify the other market participants of the new contra-side best market price," and instead (on page 6) relied on Finebaum in this regard.

Finebaum teaches "an electronic trading system for broadcasting quotes, usually bid and ask prices, for high-yield corporate bonds to buyers and sellers in a fully encrypted manner." (See Abstract.) The system "allows the sale of municipal Bonds in an anonymous and transparent market and allows the purchaser of Municipal Bonds to contemporaneously insure their Bond purchase from default electronically through a municipal bond insurance provider, such as MBIA Insurance Corporation, when making the purchase." (*Id.*)

Finebaum, however, does not teach or suggest "measur[ing] a predetermined time from when notification of a new contra-side best market price is sent to the selected party and, after

the predetermined time has elapsed, to notify the other market participants of the new contra-side best market price," as claimed in Claim 8. Finebaum simply displays newly-received orders "in price/time priority." (See Abstract.) These orders are "broadcast to all users," as noted earlier.

Finebaum, in fact, teaches away from Claim 8, which recites a processing component that "select[s] a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants." (Emphasis added.) According to Claim 8, the processor also "measure[s] a predetermined time from when notification of a new contra-side best market price is sent to the selected party" and, after the predetermined time has elapsed, the processor "notif[ies] the other market participants of the new contra-side best market price." Finebaum nowhere teaches such elements of Claim 8.

Absent specific facts from Serkin and Finebaum supporting a *prima facie* case of obviousness, withdrawal of the rejection of Claim 8 is warranted. Claims 9-12 are also patentable over Serkin and Finebaum, both for their dependence on Claim 8 and for the additional subject matter they recite.

Claims 13-17

Claim 13, as amended, is directed to a non-transitory computer-accessible medium having executable instructions stored thereon for facilitating trading at a market. The instructions, in response to execution by a computer, cause the computer to "*select a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants, wherein the selected party is a market participant participating in the market with the other market participants, and wherein the selected party has provided a price for a side of the trade at the market.*"

The instructions further cause the computer to "*notify the selected party of the new contra-side best market price,*" to "*measure a predetermined time from when notification of the new contra-side best market prices is sent to the selected party,*" and "*after the predetermined*

time has elapsed, to notify the other market participants of the new contra-side best market price."

For at least reasons similar to those discussed above with regard to Claims 1 and 8, applicant submits that the rejection of Claim 13 based on Serkin and Finebaum is without support and should be withdrawn. The rejection of Claims 14-17 should also be withdrawn, both for their dependence on Claim 13 and for the additional subject matter they recite.

Claims 18-20

Claim 18, as amended, is directed to a non-transitory computer-accessible medium having executable instructions stored thereon for facilitating trading at a market. The market has "a best market price for a side of a trade at the market and a best market price for a contra-side of the trade at the market." In response to execution by a computer, the instructions cause the computer to "*receive an order having a new price for a side of the trade at the market,*" and "*determine whether the new price is better than the best market price for the side of the market.*" Further, "in response to receiving an order having a new price that is better than the best market price for the side of the trade at the market," the instructions cause the computer to "*identify a trading party that is currently providing the best market price for the contra-side of the trade at the market*" and "*notify the trading party of the new price, wherein the notification is sent to the trading party in advance of sending notification of the new price to other market participants in the market.*" The trading party is thus "given a first look at the new price before the other market participants."

The Office Action relied on Serkin and Finebaum as allegedly disclosing the elements of Claim 18. However, applicant respectfully disagrees.

Applicant has reviewed Serkin at page 1, paragraphs [0003] and [0006]; page 4, paragraph [0054]; page 5, paragraph [0060]; page 6, paragraph [0073]; and page 7,

paragraph [0080], as cited in the Office Action (page 8),³ and Finebaum at the Abstract and paragraphs [0259] and [0179]. Applicant disagrees with the claim rejection and respectfully submits that the combination of Serkin and Finebaum does not teach or suggest the elements of Claim 18. Arguments similar to those discussed above with respect to Claims 1, 4, 8, and 13 are applicable to Claim 18.

Because the cited art does not support a *prima facie* basis for rejecting Claim 18, the rejection of Claim 18 should be withdrawn. The rejection of Claims 19 and 20 should also be withdrawn, both for their dependence on Claim 18 and for the additional subject matter they recite.

Claims 28 and 29

Lastly, Claim 28 recites a computer system that is configured to facilitate trading at a market. The computer system includes *"means for receiving input from a market participant providing a price for a side of a trade at the market, wherein the market participant is a trading party participating in the market with other market participants, and wherein the input satisfies a market-related condition by providing the best market price for the side of the trade at the market."*

The computer system further includes *"means for receiving from the market a new contra-side best market price for the trade in advance of the other market participants as a result of satisfying the market-related condition and only while the market-related condition is satisfied by the received input."*

For at least reasons similar to those discussed above, including with respect to Claim 1, applicant submits that the combination of Serkin and Finebaum does not render obvious the elements of Claim 28.

³ Citing to Serkin, the Office Action (page 8) referred to certain "columns" of the reference. However, the Serkin publication does not have numbered columns, but instead has numbered pages. Accordingly, applicant is responding herein by referring to the "pages" of Serkin.

Claim 29 is directed to a computing device that facilitates trading at a market. The computing device includes a processor configured to *"select a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants, wherein the selected party is a market participant participating in the market with the other market participants, and wherein the selected party has provided a price for a side of the trade at the market."*

Additionally, according to Claim 29, the processor or another processor in the computing device is configured to *"notify the selected party of the new contra-side best market price for the trade and to measure a predetermined time from when notification of the new contra-side best market price is sent to the selected party."* Still further, the processor or another processor in the computing device is configured to *"notify the other market participants of the new contra-side best market price after the predetermined time has elapsed."*

The combination of elements recited in Claim 29 is neither taught nor suggested by Serkin and Finebaum, as discussed above, e.g., with respect to Claim 8. Neither Serkin nor Finebaum teaches or suggests *"select[ing] a party to receive notification of a new contra-side best market price for a trade at the market in advance of other market participants,"* nor do the references teach or suggest *"measur[ing] a predetermined time from when notification of the new contra-side best market price is sent to the selected party,"* and *"notify[ing] the other market participants of the new contra-side best market price after the predetermined time has elapsed."*

For at least the above-discussed reasons, the rejection of Claim 29 based on Serkin and Finebaum should be withdrawn.

CONCLUSION

Applicant respectfully submits that the disclosures of Serkin and Finebaum are deficient and do not support a *prima facie* case of obviousness of Claims 1-29. The rejection of the claims should be withdrawn and the claims allowed. Should any issues remain needing resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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A handwritten signature in black ink, appearing to read "Kevan L. Morgan", is written over the printed name.

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